

SMALL BUSINESS LOAN FUND CORPORATION
MINUTES OF THE BOARD OF DIRECTORS

July 30, 2015

PUBLIC SESSION

A monthly meeting of the Board of Directors (the “Board”) of the Small Business Loan Fund Corporation (the “Corporation”) was held in public session at the offices of the Rhode Island Commerce Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island on Thursday, July 30, 2015, scheduled for 10:00 a.m., pursuant to notice of the meeting to all Directors, and public notice of the meeting as required by the By-Laws of the Corporation and by Rhode Island General Law 42-46-6.

The following Directors were present and participated throughout the meeting: Mr. Raymond Fogarty, Mr. Richard DeMerchant, Mr. John Pagliarini, Ms. Antonieta Falconi and Mr. Lee Mercer.

The following Directors were absent: None

Also present were: Mr. William Ash, Corporation Administrator, Ms. Stacy Farrell, Corporation Secretary, Mr. Daniel Price, Corporation Administrator, Ms. Denise Barge, Corporation Administrator, John Garrahy Esq., Moses Afonso Ryan Ltd. and Mr. Tom Moses, Esq., Moses Afonso Ryan Ltd.

Mr. Fogarty presided over the meeting.

1. Call to Order.

Mr. Fogarty called the meeting to order at 10:06 a.m.

2. Approval of the Minutes of the Meeting held on June 25, 2015

The first item to come before the Board was the approval of the Minutes of the Board meeting held on June 25, 2015. A motion was duly made by Mr. DeMerchant and seconded by Mr. Mercer, to approve the Public and Executive Session Minutes of the meeting noted above as presented.

The following Directors voted in favor of the foregoing: Mr. Richard DeMerchant, Mr. John Pagliarini, Mr. Lee Mercer, Ms. Antonieta Falconi and Mr. Raymond Fogarty.

The following Directors voted against the foregoing: None

The following Directors were absent for voting: None

3. Maintain the Executive Minutes of the June 25, 2015 meeting as Confidential

The next item to come before the Board was a vote to maintain the confidentiality of the Executive Session Minutes of the Board meeting held on June 25, 2015. Upon motion duly made by Mr. Pagliarini and seconded by Mr. DeMerchant, the motion to maintain the confidentiality of the Executive Session Minutes of the above noted meeting as presented was duly adopted.

The following Directors voted in favor of the foregoing: Mr. Richard DeMerchant, Mr. John Pagliarini, Mr. Lee Mercer, Ms. Antonieta Falconi and Mr. Raymond Fogarty.

The following Directors voted against the foregoing: None

The following Directors were absent for voting: None

4. Report of Cash Position as of June 30, 2015

Staff asked if there were any questions or comments regarding the Cash Report for the period ended June 30, 2015 (Exhibit A). Mr. Price noted the commitment to Mouldcam was still outstanding, however he did not believe the company would need the funds and the commitment may expire. There was no additional discussion regarding the report.

5. Delinquency Loan Report as of July 27, 2015

Staff asked if there were any questions regarding the Loan Delinquency report dated July 27, 2015 (Exhibit B). Mr. Price noted he was working on finalizing the assumption of the PW Enterprises Note and that the loan should be current by the next board meeting. There was no further discussion regarding this report.

6. Executive Session

Mr. Fogarty suggested that the Board move into Executive Session to discuss the remaining agenda items. Upon motion duly made by Mr. Pagliarini and seconded by Ms. Falconi, the motion to move the meeting into Executive Session pursuant to Rhode Island Open Meetings Law 42-46-5(a)(1), 42-46-5(a)(2), 42-46-5(a)(5), 42-46-5(a)(6) and 42-46-5(a)(7) of the General Laws of the State of Rhode Island, as amended, was duly adopted.

The following Directors voted in favor of the foregoing: Mr. Richard DeMerchant, Mr. John Pagliarini, Mr. Lee Mercer, Ms. Antonieta Falconi and Mr. Raymond Fogarty.

The following Directors voted against the foregoing: None

The following Directors were absent for voting: None

Public Session concluded and Executive Session began at 10:09 a.m.

7. Executive Session Vote Ratification

Mr. Fogarty called for a ratification of the votes adopted during Executive Session. Upon motion duly made by Mr. Pagliarini and seconded by Mr. DeMerchant, the following votes were ratified:

- (a) To amend the previous motion relating to the assumption of the PW Enterprises Note to include the addition of Mr. James Stallman as Guarantor and to remove Mr. Richard Fox.

The following Directors voted in favor of the foregoing: Mr. Richard DeMerchant, Mr. John Pagliarini, Mr. Raymond Fogarty, Mr. Lee Mercer and Ms. Antonietta Falconi.

The following Directors voted against the foregoing: None
The following Directors were absent for voting: None

- (b) A unanimous vote of the Board was taken and would be kept confidential so as not to jeopardize any strategies, negotiation or investigations undertaken with respect to litigation in accordance with Rhode Island General Law 42-46-4(b)2 relating to the Tobey Waste loan assumed in 2012.

The following Directors voted in favor of the foregoing: Mr. Richard DeMerchant, Mr. John Pagliarini, Mr. Raymond Fogarty, Mr. Lee Mercer and Ms. Antonietta Falconi.

The following Directors voted against the foregoing: None
The following Directors were absent for voting: None

- (c) To seal the Executive Session Minutes.

The following Directors voted in favor of the foregoing: Mr. Richard DeMerchant, Mr. John Pagliarini, Mr. Raymond Fogarty, Mr. Lee Mercer and Ms. Antonietta Falconi.

The following Directors voted against the foregoing: None
The following Directors were absent for voting: None

Adjournment

There being no further business to come before the Board, Mr. Fogarty called for a vote to adjourn the meeting. Upon motion duly made by Mr. Pagliarini and seconded by Mr. Mercer, the motion to adjourn the meeting was duly adopted.

The following Directors voted in favor of the foregoing: Mr. Richard DeMerchant, Mr. John Pagliarini, Mr. Lee Mercer, Ms. Antonietta Falconi and Mr. Raymond Fogarty.

The following Directors voted against the foregoing: None
The following Directors were absent for voting: None

The meeting was adjourned at 10:33 a.m.

Respectfully submitted,

/s/ Stacy Farrell

Stacy Farrell, Secretary